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The Conference Board

Economic and Business Environment Program

MONTHLY UPDATE TO

International Economic Scoreboard

A Monthly Report from The Conference Board — **November 1988**

CYCLICAL INDEXES POINT TO FURTHER GAINS
Leaders Strengthening in Europe and Pacific Regions

SUMMARY

Worldwide, the business cycle continues to expand at a sturdy pace. The leading indexes have strengthened a bit in recent months.

Regionally, the growth rates of the leading indexes have picked up speed recently in all three regions, but most noticeably in Europe and the Pacific region.

Nationally, the one country that sticks out like a sore thumb is Canada. Since March, Canada's economic performance index has leveled off, and its leading index has dropped a couple of points. There's no immediate explanation for this sluggishness, but it bears watching. Elsewhere, every country in Europe and the Pacific region now shows a faster growth rate than 3 months ago. At the head of the pack are those two regular sprinters, Taiwan and Korea.

Interpretation: The near-term outlook has improved a bit. Prospects for continued healthy cyclical expansion look favorable for every country except Canada.

Summary Of Growth Rates, Ten Industrial Countries

	Ten-year Growth Rate	Indexes of Economic Performance Growth Rates*			Leading Business Cycle Indexes Growth Rates*			Current Reading on the Cycle	Latest Month Covered
	1976-86	6 mos. ago	3 mos. ago	Latest month	6 mos. ago	3 mos. ago	Latest month		
	annual rates, percent								
Ten countries	3	7	5	4	4	2	5	Expansion continuing	Aug.
9 countries excl. U.S.	3	8	5	4	4	4	7	Expansion continuing	Aug.
North America (2)	3	6	5	4	3	0	3	Expansion continuing	Aug.
Europe (4)	2	6	5	4	3	3	6	Expansion continuing	Aug.
Pacific Region (4)	4	10	5	5	5	4	8	Expansion continuing	Aug.
United States	3	6	5	4	3	5	4	Expansion continuing	Sept.
Canada	3	6	5	3	5	3	0	Expansion continuing, leaders weak	Aug.
West Germany	2	4	4	3	7	4	6	Expansion continuing	Sept./Aug.
France	2	7	6	5	5	8	9	Expansion continuing	Aug./Sept.
United Kingdom	2	6	4	4	1	2	4	Expansion continuing,	Sept./Aug.
Italy	2	5	7	7	-1	2	5	Expansion continuing	July/Aug.
Japan	4	10	6	4	4	3	7	Expansion continuing	Aug.
Australia	3	7	4	7	4	8	9	Expansion continuing	Aug.
Taiwan, R.O.C.	8	3	4	8	14	12	16	Expansion continuing, leaders strong	Sept.
Korea, R.O.K.	7	20	7	8	13	8	15	Expansion continuing, leaders strong	Aug.

* Ratio of current month's index to average index over the preceding 12 months, expressed as a compound annual rate.

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INDEXES, WORLDWIDE AND BY REGION, 1987-88

		10 Countries		9 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (4)	
		Indexes, 1980 = 100									
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Jan.	87	116	122	117	120	114	123	109	115	129	130
Feb	87	116	123	117	121	116	126	109	115	129	131
Mar.	87	116	125	117	123	116	127	110	116	130	136
Apr.	87	117	127	118	126	116	128	110	116	129	141
May	87	117	128	118	127	117	128	110	116	129	146
June	87	118	131	118	130	117	131	111	117	131	152
July	87	119	132	119	132	118	131	111	118	132	156
Aug.	87	119	133	120	134	118	131	112	118	132	163
Sept.	87	120	133	120	134	119	132	112	118	134	162
Oct.	87	120	133	121	133	120	132	113	118	134	160
Nov.	87	121	131	122	132	120	130	113	117	135	157
Dec.	87	122	132	122	132	121	131	114	117	136	158
Jan.	88	122	132	123	132	121	131	114	118	137	158
Feb.	88	123	132	124	132	122	132	115	119	140	155
Mar.	88	124	133	125	133	122	132	115	120	140	157
Apr.	88	124	133	125	134	123	132	115	119	139	159
May	88	124	134	125	135	123	131	116	120	139	160
June	88	125	136	126	136	124	135	117	121	141	163
July	88	125	135	126	137	124	132	117	122	141	164
Aug.	88	125	137	126	138	124	134	117	123	141	166

10 Countries		9 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (3)	
Growth Rates, Percent									
Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
3	6	3	8	2	3	3	4	5	17
4	8	4	9	4	7	3	4	4	17
4	10	4	11	4	8	3	4	4	22
4	11	4	13	4	9	4	5	3	28
4	12	3	14	4	8	4	4	2	31
4	15	4	17	5	11	4	5	4	38
5	15	5	18	5	10	4	6	6	39
5	15	5	19	5	9	4	4	5	43
5	13	5	16	5	8	4	4	6	35
6	10	6	12	6	7	5	3	7	27
6	6	6	8	6	4	5	1	7	17
6	5	6	6	6	3	5	1	8	12
6	4	6	5	5	3	5	2	8	9
7	4	8	4	6	3	6	3	10	5
7	3	7	4	6	3	6	4	9	4
5	3	6	4	5	2	5	3	7	5
5	2	5	4	5	0	5	3	5	4
6	5	6	5	5	5	5	5	7	6
5	4	5	6	4	1	5	5	6	7
4	5	4	7	4	3	4	6	5	8
Ten Year Annual Growth Rate, Percent									
3	3	3	3	3	3	2	2	4	4

INDEXES, TEN COUNTRIES, 1987-88

		U.S.		Canada		West Germany		France		U.K.		Italy		Japan		Australia		Taiwan, R.O.C.		Korea, R.O.K.	
		Indexes, 1980 = 100																			
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Jan.	87	114	124	118	117	108	113	113	117	106	115	107	115	127	128	119	116	158	169	172	171
Feb.	87	115	127	119	118	108	114	114	117	107	115	107	115	127	129	120	116	162	174	178	181
Mar.	87	116	128	120	119	109	114	114	118	107	116	107	115	127	135	120	118	160	174	178	180
Apr.	87	116	129	121	120	109	114	115	120	108	116	108	116	127	141	121	118	163	180	178	182
May	87	116	129	122	120	109	114	116	120	108	116	108	116	126	146	122	120	163	181	180	183
June	87	117	132	122	121	110	115	116	120	108	116	108	116	128	154	123	120	165	182	182	188
July	87	118	132	122	121	110	116	117	121	109	119	108	116	129	158	125	121	168	183	183	189
Aug.	87	118	132	123	122	110	117	117	121	110	117	107	114	130	166	124	122	170	187	181	182
Sept.	87	118	133	124	124	111	116	118	122	110	117	108	115	131	164	125	123	171	192	186	197
Oct.	87	120	132	125	122	111	116	119	122	111	117	109	115	132	162	125	123	171	194	186	188
Nov.	87	120	131	126	123	111	115	119	121	111	116	109	115	132	158	124	122	171	192	190	195
Dec.	87	120	132	126	123	112	116	120	122	112	116	110	114	134	157	127	123	170	193	195	198
Jan.	88	120	132	127	125	112	118	121	122	113	117	111	114	134	157	127	122	168	192	199	202
Feb.	88	121	133	127	124	112	120	121	123	113	117	112	115	137	156	128	123	175	197	203	201
Mar.	88	122	133	128	126	113	119	122	124	113	117	112	116	137	157	130	125	171	201	204	206
Apr.	88	122	133	128	125	112	120	122	124	114	117	113	116	136	160	128	126	171	202	200	201
May	88	122	132	128	125	113	120	122	125	114	118	113	116	136	160	128	128	172	206	198	202
June	88	123	136	128	126	114	120	124	128	114	119	114	118	138	163	132	128	174	206	200	210
July	88	123	133	128	124	113	121	124	127	115	119	115	118	138	165	133	128	176	209	198	211
Aug.	88	123	135	128	124	115	122	124	128	116	120		119	138	167	132	131	180	215	203	215
Sept.	88	124	135			114			130	116								180	216		
		Growth Rates, Percent																			
Jan.	87	2	3	3	3	2	3	3	5	4	5	2	2	4	19	0	7	13	12	13	10
Feb.	87	4	7	4	4	3	4	4	4	5	5	1	2	3	18	3	7	15	15	16	20
Mar.	87	4	8	4	5	2	3	4	5	4	5	1	3	3	25	2	8	11	13	16	15
Apr.	87	4	9	5	7	3	4	5	7	5	5	2	4	2	31	3	9	13	18	13	15
May	87	4	8	6	6	3	3	5	7	5	6	2	2	1	35	4	10	11	17	13	13
June	87	4	11	6	6	3	4	5	6	5	5	2	3	3	44	6	8	11	15	13	16
July	87	5	10	6	6	3	6	5	6	6	8	1	2	5	45	8	8	12	14	12	16
Aug.	87	5	9	6	6	4	6	5	6	6	4	0	-1	5	50	6	9	13	16	8	5
Sept.	87	5	8	6	8	3	5	6	7	5	3	1	0	6	39	7	10	12	20	13	20
Oct.	87	6	7	7	4	3	4	6	4	6	3	3	0	6	30	5	8	10	18	10	8
Nov.	87	5	4	7	6	4	1	6	3	6	0	3	-1	7	19	4	5	8	13	12	14
Dec.	87	6	3	7	4	4	3	7	3	6	1	3	-2	7	13	7	5	6	12	16	15
Jan.	88	5	3	7	6	3	5	7	3	6	1	5	-2	8	9	6	3	3	9	18	16
Feb.	88	6	3	6	5	4	7	7	4	6	1	6	-1	10	4	7	4	10	11	20	13
Mar.	88	6	3	6	6	4	5	7	5	6	1	7	1	9	3	8	6	3	14	17	15
Apr.	88	6	1	5	4	3	5	6	3	5	1	7	1	7	4	4	6	3	13	11	8
May	88	5	0	5	3	3	4	6	5	5	2	6	2	6	3	4	8	3	14	7	8
June	88	5	5	4	4	4	4	6	8	4	3	7	4	7	5	9	8	4	12	7	14
July	88	5	1	3	1	2	6	6	7	5	3	7	5	5	6	9	7	6	13	4	13
Aug.	88	4	3	3	0	5	6	5	7	5	4		5	4	7	7	9	9	17	8	15
Sept.	88	4	4			3			9	4								8	16		
		Ten Year Annual Growth Rate, Percent																			
1976-86		3	3	3	3	2	2	2	2	2	2	2	2	4	4	3	3	8	8	7	7